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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

_____	)	Chapter 11
In re	)	Case No. 05-44481 (RDD)
	)	
DELPHI CORPORATION, <i>et al.</i> ,	)	(Jointly Administered)
	)	
Debtors.	)	
	)	
_____	)	

**LIMITED OBJECTION BY DENSO INTERNATIONAL AMERICA, INC.  
TO ASSUMPTION AND/OR ASSIGNMENT OF EXECUTORY CONTRACT  
OR UNEXPIRED LEASE TO QUALIFIED BIDDER IN CONNECTION  
WITH SALE OF CATALYST BUSINESS**

NOW COMES, Denso International America, Inc. ("DIAM"), by its co-counsel, Blank Rome LLP and Plunkett Cooney PC, for its Limited Objection to the Assumption and/or Assignment of Executory Contract or Unexpired Lease to Qualified Bidder in connection with Sale of Catalyst Business, and would respectfully represent:

1. DIAM is a purchaser and supplier of auto parts to the Delphi Debtors. DIAM is a 100% owned subsidiary of Denso Corporation, the parent company, which is a Japan based supplier. DIAM and the Delphi Debtors have a long standing commercial relationship. The parties have continued to conduct business on a virtually seamless basis since the Petition Date.

2. Delphi's Motion for the Sale of the Catalyst Business, and the accompanying Notice of Cure Amount with respect to Executory Contract, each dated July 5, 2007, along with the Notice of Assignment dated August 1, 2007 contain several inaccuracies.

3. First, the Notice of Assignment expressly references in Exhibit 1 (at pp. 73-75), DIAM contract number 50084 ("DIAM #50084"), a copy of which is attached as Exhibit A. Yet, DIAM #50084 expired by its own terms on December 31, 2006. An executory contract which has otherwise expired by its own terms is incapable of being assumed or assigned under Bankruptcy Code Section 365, 11 USC § 365.

4. Since the Petition Date, the Delphi Debtors and DIAM have entered into a succession of new agreements which govern, among other things, the business with Catalyst. The most recent of these agreements is dated as of July 1, 2007 ("Settlement Agreement"), a copy of which is attached as Exhibit B.

5. The DIAM agreement being assigned as part of the Catalyst Sale is not DIAM #50084 as set forth in the Motion which, as noted, has expired. Rather, DIAM has no objection – and has so advised counsel to Delphi - to the assignment to the Qualified Bidder of the Settlement Agreement as it relates to DIAM #50084.

6. Lastly, with respect to DIAM #50084, DIAM has timely filed a proof of claim in the sum of \$233,895.11 due as a cure amount, a copy of which is attached as Exhibit C. The Delphi Notice of Cure states that there is no cure amount due. The parties have negotiated global resolution of the myriad of issues which existed between the parties as of the Petition Date, which would include the resolution of the DIAM proof of claim related to DIAM #50084. That settlement is in the process of being drafted for a submission and approval by this Court. It is

respectfully submitted that pending approval by this Court, that the parties reserve their rights with respect to this issue.

WHEREFORE, DIAM respectfully requests: (i) that the Notice of Assignment with respect to the Catalyst Sale correctly reflect the assignment of the Settlement Agreement as it relates to DIAM #50084, and not the assignment of DIAM #50084; (ii) the parties reserve their respective rights with respect to DIAM's proof of claim relating to the Cure Amount arising from DIAM #50084; and (iii) together with such other and further relief as it deems just and proper.

August 6, 2007  
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